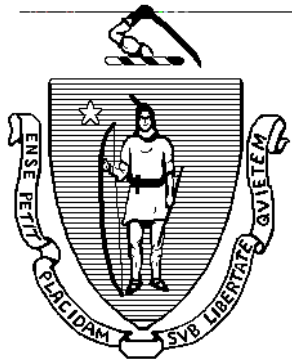
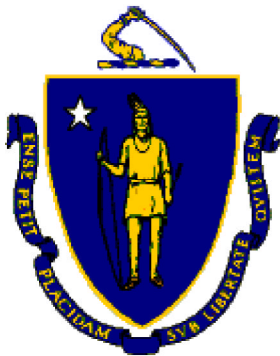


Introductory Section



Comptroller's Letter of Transmittal
Constitutional Officers
Organization Chart of State Government
Acknowledgments



*William Kilmartin,
Comptroller
One Ashburton Place
Boston, MA 02108*

October 31, 1997

***To the Citizens of the Commonwealth of Massachusetts,
Governor Argeo Paul Cellucci, and Honorable Members of the General
Court***

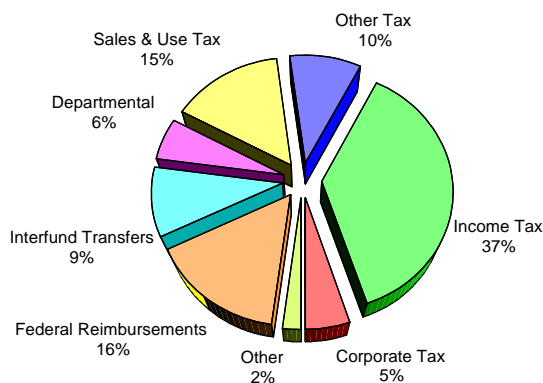
The financial condition of the Commonwealth for the fiscal year ended June 30, 1997 is excellent. For the seventh consecutive year, the Commonwealth has accomplished a positive balance in the budgeted funds. The balance in the budgeted funds of \$1.394 billion is more than 10% of annual tax revenues, and thus conforms to professional standards for a prudent year end balance. Also, per special statutory direction approximately \$343.7 million was transferred to capital outlay and local aid, instead of remaining in the budgetary surplus. Of the \$1.394 billion, \$799.3 million is in the Stabilization Fund. This fund, sometimes called the "rainy day" fund, represents the Commonwealth's reserves for future purposes.

In accordance with Massachusetts General Laws, the Office of the Comptroller transmits the Statutory Basis Financial Report for the fiscal year ended June 30, 1997 (FY97). This report is audited by a firm of Independent Certified Public Accountants and is published on October 31st. The publication of this report represents the conclusion of financial activity and the final closing of the books on the statutory basis for FY97.

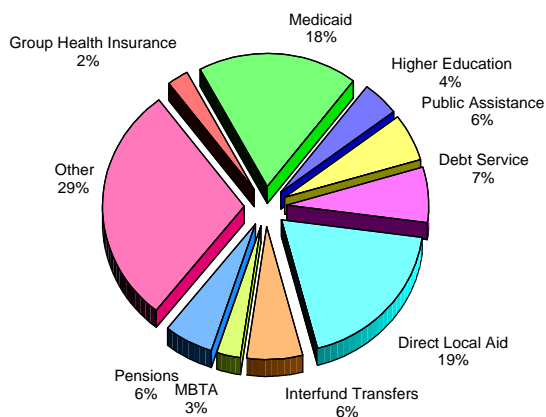
This report includes the budgeted funds, non-budgeted special revenue funds, capital project funds, and fiduciary funds. The financial operations of these funds are accounted and reported in the Massachusetts Management Accounting and Reporting System (MMARS), the statewide accounting system operated by the Commonwealth. Detail information for each revenue and expenditure account is available from MMARS.

This report is intended to satisfy the requirements in state finance law to present fairly the results of FY97 activity in the Commonwealth's funds, to compute and certify the balance in the Stabilization Fund and Tax Reduction Fund, and to disclose and report certain aspects of financial performance as directed by statute. The statutory basis of accounting is defined in Massachusetts law. This basis of accounting is typically used to budget and control daily fiscal operations. The statutory basis of accounting is not in accordance with generally accepted accounting principles (GAAP) as defined for governments by the Government Accounting Standards Board. We will report the Commonwealth's financial position on a GAAP basis in early January, 1998 in our Comprehensive Annual Financial Report (CAFR).

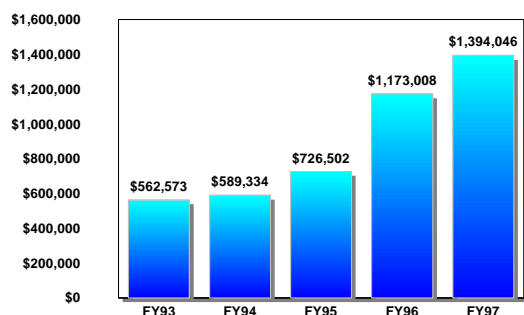
Revenues And Other Sources



Expenditures And Other Uses



Budgeted Funds - Fund Balance (Amounts in thousands)



Budgeted Funds

In FY97, sources of funds exceeded uses of funds for an operating gain of \$221.0 million. This follows an operating gain of \$446.5 million in FY96, \$137 million in FY95, \$26 million in FY94, \$13 million in FY93 and \$312 million in FY92. A net gain from operations, when reported for multiple consecutive years, is considered by professional standards to demonstrate a structural balance between inflows and outflows. The Commonwealth has accomplished such structural balance.

From a net budgeting perspective, overall revenues and other financing sources are up 4.9% from FY96 to FY97. The multi-year trend line is presented in the Statistical Section of this report. When analyzed from a multi-year perspective, the proportion of each revenue source to the total did not materially change from FY96 to FY97. Expenditures and other financing uses are up 6.3% from FY96 to FY97. Again, the multi-year trend line is presented in the statistical section. It is evident that some redistribution of proportions did occur from FY96 to FY97 (for example the local aid category is higher).

The FY97 activity in the budgeted funds is summarized and compared to FY96 in the Budgeted Funds - Operations table. Financial statements for each of the 50 individual budgeted funds are included in the financial section of this report.

In conducting the budget process, the Commonwealth excludes those interfund transactions that by their nature, have no impact on the combined fund balance of the budgeted funds. The table isolates this interfund activity from the budgeted sources and uses to align more clearly forecasts prepared during the budget process to the detailed fund accounting of the Commonwealth's annual financial statements. For example, this table isolates the assessments on municipalities collected by the Commonwealth and paid to the MBTA and regional transit authorities.

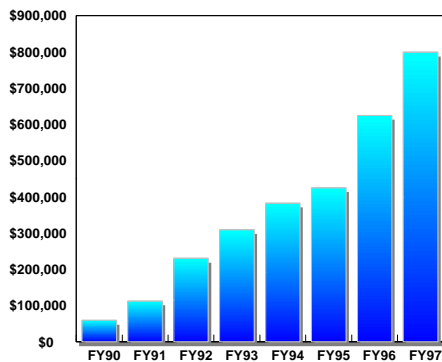
The graph of Budgeted Funds - Fund Balance shows the combined fund balance in the budgeted funds for the past five years. This "bottom line" perspective demonstrates the accumulation of resources attributable to balanced budgets over the multi-year period.

The FY97 ending balance of \$1.394 billion is composed of \$225.1 million reserved for continuing appropriations and debt service, \$799.3 million reserved in the Stabilization Fund, \$91.8 million reserved in the Tax Reduction Fund, and \$277.8 million as undesignated surplus available for appropriation in FY98.

Budgeted Funds - Operations
(Amounts in thousands)

	<u>1996</u>	<u>1997</u>
Beginning fund balances:		
Reserved and designated.....	\$ 128,121	\$ 263,344
Tax Reduction Fund Current.....	-	150,000
Tax Reduction Fund Future.....	-	81,722
Stabilization Fund.....	425,405	543,303
Undesignated.....	<u>172,976</u>	<u>134,639</u>
Total.....	<u>726,502</u>	<u>1,173,008</u>
Revenues and other sources:		
Taxes.....	12,049,183	12,864,501
Federal reimbursements.....	3,039,091	3,019,692
Departmental and other revenues.....	1,208,156	1,267,882
Interfund transfers from non-budgeted funds and other uses.....	<u>1,031,161</u>	<u>1,017,977</u>
Budgeted revenues and other sources.....	<u>17,327,591</u>	<u>18,170,052</u>
Mass transit assessments.....	147,598	151,525
Intragovernmental Service Fund revenues.....	91,451	83,622
Interfund transfers among budgeted funds and other sources.....	<u>804,792</u>	<u>818,167</u>
Total revenues and other sources.....	<u>18,371,432</u>	<u>19,223,366</u>
Expenditures and other uses:		
Programs and services.....	14,650,697	15,218,752
Debt service.....	1,183,564	1,275,539
Pension.....	1,004,551	1,069,184
Interfund transfers to non-budgeted funds and other uses.....	<u>42,273</u>	<u>385,539</u>
Budgeted expenditures and other uses.....	<u>16,881,085</u>	<u>17,949,014</u>
Payments of mass transit assessments.....	147,598	151,525
Intragovernmental Service Fund expenditures.....	91,451	83,622
Interfund transfers among budgeted funds and other uses.....	<u>804,792</u>	<u>818,167</u>
Total expenditures and other uses.....	<u>17,924,926</u>	<u>19,002,328</u>
Excess of revenues and other sources over expenditures and uses.....	<u>446,506</u>	<u>221,038</u>
Ending fund balances:		
Reserved and designated.....	263,344	225,151
Tax Reduction - Current.....	150,000	91,764
Tax Reduction - Future.....	81,722	-
Stabilization Fund.....	543,303	799,300
Undesignated.....	<u>134,639</u>	<u>277,831</u>
Total.....	<u>\$ 1,173,008</u>	<u>\$ 1,394,046</u>

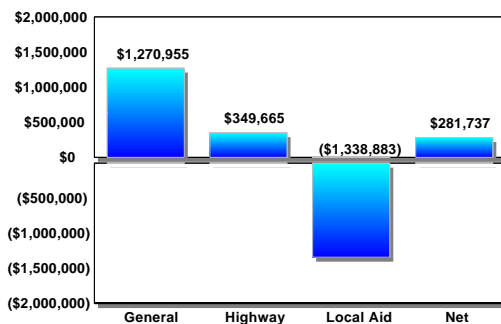
Stabilization Fund Balance
(Amounts in Thousands)



The balance in the Stabilization Fund is a good indicator of the positive financial condition of the Commonwealth. State finance law defines the maximum balance that may accumulate in the Stabilization Fund as an amount not to exceed 5% of all budgeted revenues and other sources. State finance law then directs that any amount in excess of the cap be transferred to the Tax Reduction Fund. This "ceiling" for FY97 was \$908.5 million, so the actual balance in the Stabilization Fund of \$799.3 million was under the cap. There was no such excess and no transfer to the Tax Reduction Fund in FY97. The fund balance of the Stabilization Fund over a multi-year period is presented in the graph Stabilization Fund Balance.

Despite the Commonwealth's positive financial condition, a few cautionary notes are merited. There are certain problems with the definitions in state finance law enacted in 1986, and continued with slight modification to the present. A balanced budget, the "Consolidated Net Surplus", is defined as the combined undesignated component of the General, Local Aid, and Highway Funds. According to this restricted definition, fiscal balance was achieved in FY97 in the amount of \$281.7 million. However, this definition excludes certain components of fund balance, such as reserves for continuing appropriations and the entire balances of other budgeted funds. This idiosyncratic definition has the potential to be misleading and confusing. The Commonwealth should adopt a more straightforward definition of fiscal balance.

**"Consolidated Net Surplus"
Prior to Transfers**



Also problematic is the formula for deposits to the Stabilization and Tax Reduction Funds. Under current law, the "Consolidated Net Surplus" in the General, Highway and Local Aid Funds is measured in comparison to 0.5% of tax revenues, and the excess is computed for transfer to the Stabilization Fund. The Stabilization Fund is examined for the statutory ceiling and any excess is transferred to the Tax Reduction Fund. For the Stabilization Fund transfer, 60% is taken from the General Fund and 40% from the Local Aid Fund. Other funds in surplus, such as the Highway Fund, do not contribute to the transfer. This engenders a counter intuitive situation where by the Local Aid Fund, which is in deficit, contributes to the transfer, and becomes more deficient, while positive balances in the Highway Fund and other funds do not. State finance law should be amended to eliminate this convoluted bookkeeping and rationalize the contributions to the Stabilization and Tax Reduction Funds.

Further complicating this issue is the existence of a large number of “minor” budgeted funds. Over the past several years, dozens of new “minor” funds have been created by splitting off revenues and expenditures previously accounted for as part of a major fund, such as the General Fund. These funds are currently excluded from the definition of fiscal balance and are likewise excluded from the contributions to the Stabilization and Tax Reduction Funds.

The trend to fragment the budget into such special interest funds should be addressed with a plan to either consolidate to a more reasonable number of funds or to include these funds in the definition of fiscal balance.

A final cautionary note pertains to the pending disposition of the current surplus. Maintaining a prudent portion of the surplus in the strategic reserve, called the Stabilization Fund, is paramount. The Legislature and Governor now face the challenge to frame fiscal policy for the remainder of this surplus. There are numerous choices, each of which has long term implications on how the Commonwealth maintains its positive financial position. These choices include one-time authorizations such as tax reduction and capital projects or continued annual appropriation for increased spending on programs.

Whatever choices are made, it is important to maintain the long term structural balance. Simply stated, accumulated balances should not be committed entirely to purposes with ongoing spending requirements. To say this another way, the initiation of new continuing programs or permanent tax cuts must be examined as to the risk of creating a structural imbalance in future years.

Non-Budgeted Funds

The Non-Budgeted Funds represent operations whereby the government has imposed its sovereign authority but has excluded these operations from the annual budget process. During FY97, the Commonwealth maintained 25 active non-budgeted funds, including the Lottery Funds, Federal Grants Fund, the Sewer Rate Relief Fund, and the Uncompensated Care Fund. These funds are frequently referred to as special revenue or dedicated revenue funds. The financial concept is that specified revenue inflows will be matched to related expenditure outflows, so that each fund will balance. The funds are considered non-budgeted because the authorization for expenditures is in the General Law which created the fund, not the annual budget.

The FY97 activity in these Non-Budgeted Funds is summarized and compared to FY96 in the table of Non-Budgeted Funds - Operations. Individual financial statements are presented in the financial section of this report.

Non-Budgeted Funds - Operations
(Amounts in thousands)

	1996	1997
Beginning fund balance.....	\$ 112,729	\$ 178,108
Revenues and other sources:		
Taxes.....	8,665	9,918
Assessments.....	319,034	330,723
Federal grants and reimbursements.....	1,217,935	1,213,554
Departmental and miscellaneous.....	3,536,873	3,475,262
Transfers and other sources.....	182,233	87,500
Total revenues and sources.....	5,264,740	5,116,957
Expenditures and other uses:		
Programs and services.....	4,175,954	4,189,619
Debt service.....	8,217	2,747
Transfers and other uses.....	1,015,190	946,821
Total expenditures and uses.....	5,199,361	5,139,187
Excess of revenues and sources over expenditures and uses....	65,379	(22,230)
Ending fund balance.....	\$ 178,108	\$ 155,878

While the Federal Grants Fund has a positive fund balance, the deficiency in cash is \$19.5 million. This situation is expected, since the Commonwealth performs draw downs from the federal government a few days after the cash disbursement, to assure an “interest neutral” condition on the timing of the federal-state cash exchange. These requirements were established by the Cash Management Improvement Act of 1990.

In the Lottery Funds, gross revenues continued to increase from FY96 to FY97. Net profits also increased, so that distributions to cities and towns for local aid increased by \$33.6 million. At the conclusion of FY97, special legislation directed that Lottery profits in excess of a specified formula not be transferred to the budget surplus. Instead, an amount of \$25.3 million has been reserved in the Lottery Funds and is authorized for distribution for local aid in early FY98, to be in addition to amounts otherwise authorized.

The Sewer Rate Relief Fund was established with a transfer of \$30.0 million from the General Fund in FY94. This fund is administered by the Department of Revenue for the purpose of providing assistance in the mitigation of sewer rate increases. In each subsequent year, the Commonwealth has provided additional funds and the FY97 ending balance after expenditure and other financial operations is \$11.4 million.

The Uncompensated Care, Labor Shortage and Medical Security Funds were set up, in 1988, as part of the universal health care legislation. In the intervening time, several aspects and purposes to the funds have been modified in legislation. These funds have grown to an annual revenue volume in excess of \$439.1 million, with a combined fund balance of over \$95.0 million.

In FY96, a new non-budgeted fund, the Capital Expenditure Reserve Fund, was created. Pursuant to statute and agreement with the Massachusetts Turnpike Authority (MTA), funding in the amount of \$100 million was provided by the MTA relating to the Central Artery/Tunnel Project. This funding is in addition to state and federal funding in the Capital Projects Funds for the project. In FY96, the amount of \$42.7 million was expended. The balance, \$59.7 million including interest, was expended in FY97. Legislation passed in FY97 requires the Massachusetts Turnpike Authority to contribute an additional \$700 million and the Massachusetts Port Authority to contribute \$200 million in future fiscal years.

The graph Non-Budgeted Funds - Fund Balance shows the combined fund balance in the non-budgeted funds for the past five years. In each year the entire balance is designated for the specific purpose of the respective fund.

Certain funds have accumulated positive balances and do not report current year activity. Serious consideration should be given to abolishing the Freight Rail, Passenger Rail, and JFK Library and Park funds and transferring the balances to the General Fund.

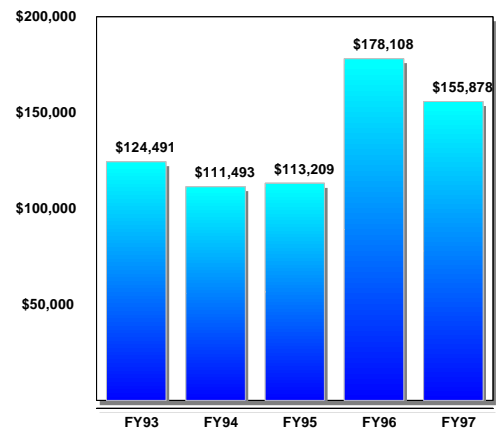
The Government Land Bank Fund has a chronic and structural fund deficit. This fund should be abolished and the deficit absorbed into the General Fund.

A periodic reexamination of all non-budgeted funds is sound financial practice.

Capital Projects Funds

The purpose of these funds is to construct or acquire capital assets for governmental use. The Governor may propose capital outlay budgets which, upon enactment by a two-thirds vote of the Legislature and approval by the Governor, become capital outlay acts. Numerous capital outlay acts may be combined for reporting in an individual Capital Projects Fund but each act is accounted for as a separate subfund, which records authorization for expenditures in itemized capital appropriation accounts and equivalent authorizations to issue bonds or notes in anticipation of federal reimbursements.

Non-Budgeted Funds - Fund Balance
(Amounts in thousands)



Certain funds or subfunds may also be authorized in law to receive other revenues: including transfers of surplus from the Budgeted Funds. At the conclusion of FY97, legislation was enacted to create a new Capital Investment Trust Fund with \$229.8 million transferred from the budgetary surplus. This fund will support capital projects without the need to issue bonds. In addition the amount of \$89.5 million was transferred from budgetary surplus to provide financing to existing Capital Project Funds in lieu of bonds.

The FY97 financial activity for the capital projects funds is summarized and compared to FY96 in the table Capital Project Funds - Operations. Individual fund statements are presented in the financial section of this report, and footnotes contain additional information about the related debt.

Capital Projects Funds - Operations
(Amounts in thousands)

	1996	1997
Beginning fund deficit.....	\$ (394,031)	\$ (217,574)
Revenues and other sources:		
Federal grants and reimbursements.....	888,352	1,035,630
Departmental and miscellaneous.....	1,916	2,089
General obligation financing.....	939,658	899,471
Special obligation financing.....	147,457	-
Proceeds of refunding bonds.....	-	722,621
Transfers from budgetary surplus.....	-	89,503
Capital investment trust fund.....	-	229,800
Transfers and other sources.....	132,423	175,958
Total revenues and sources.....	2,109,806	3,155,072
Expenditures and other uses:		
Acquisition of assets.....	1,825,034	2,213,249
Payments to refunded bond escrow.....	-	722,621
Transfers and other uses.....	108,315	133,405
Total expenditures and uses.....	1,933,349	3,069,275
Excess (deficiency) of revenues and sources over expenditures and uses.....	176,457	85,797
Ending fund deficit.....	\$ (217,574)	\$ (131,777)

The graph Capital Projects Funds - Fund Deficit shows the combined fund deficit in the Capital Projects Funds for the past five years.

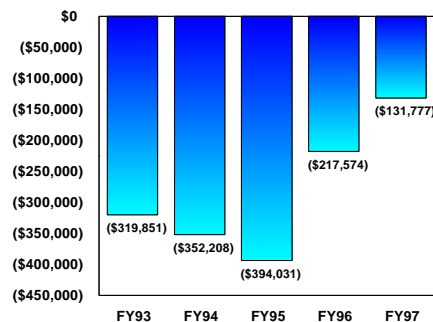
The financial concept is that each capital outlay authorization is balanced, creating authorization for inflows, (proceeds from sales of bonds and federal reimbursements or other revenues), and authorization for expenditure. However imbalances due to timing differences develop when the outflow (expenditure) precedes the inflow (sale of bonds or receipt of reimbursement). Federal tax arbitrage rules, which discourage sale of bonds in anticipation of expenditures, contribute to such timing differences. As a result, the capital projects funds may report temporary fund deficits. This situation also creates a cash deficit in these funds.

The Commonwealth has a practice of pooling cash from all governmental funds, so the short term cash deficits in the capital projects funds create a drain on the Commonwealth's overall cash flow. The Commonwealth should continue to analyze and balance the economic effects of interest income on the pooled cash to interest expense related to issuance of capital debt.

The five-year graph shows the effect of elapsed time between capital expenditures and the sale of related debt. In FY97, the Commonwealth could have issued additional, currently authorized bonds. Had such action been taken, fund deficits (and cash balances) would have improved accordingly and long term liabilities would have increased.

The Administration has implemented a coordinated fiscal strategy for the management of the Capital Projects Funds. Aspects of this strategy include a five-year capital budget linked to debt management and cash management. The focus of this strategy is to manage capital spending and thus outstanding debt to levels the Administration considers appropriate for the Commonwealth. An important part of the strategy is to contain capital spending within an annual administrative cap. As additional capital outlays have been enacted and significant projects such as the Central Artery have been authorized, the challenge to restrain spending to such limits is increasing. Strategies to manage this situation, such as additional financing for capital projects exemplified in the Massachusetts Turnpike Authority's participation in the Capital Expenditure Reserve Fund and the new Capital Investment Trust Fund previously described, should be continued.

**Capital Projects Funds -
Fund Deficit**
(Amounts in thousands)



Certain funds have not reported financial activity for the past two fiscal years, and serious consideration should be given to abolishing these funds. Inactive funds include the Lockup Facilities Improvements, Suffolk County Jail Facility, Federally-Assisted Housing and the Environmental Challenge Capital Project Funds.

Fiduciary Funds (Excluding Agency Funds)

The fiduciary funds record the Commonwealth's responsibility for assets it controls on behalf of other parties. Examples of such funds are the Unemployment Compensation and Pension Trust Funds. The following table, which excludes assets held on a purely custodial capacity in agency funds, summarizes FY97 activity of the fiduciary funds. As evidenced, the Commonwealth acts as the fiduciary for a significant volume of financial activity.

Fiduciary Fund - Operations (Amounts in thousands)

	1996	1997
Beginning fund balance.....	\$ 13,956,365	\$ 16,815,371
Revenues and other sources:		
Taxes.....	1,131,469	1,174,332
Federal reimbursements.....	21,569	29,701
Departmental and other revenues.....	652,813	680,748
Interfund transfers and other sources.....	855,930	908,092
Investment earnings.....	2,288,682	3,372,852
Total revenues and sources.....	4,950,463	6,165,725
Expenditures and other uses:		
Expenditures.....	1,988,047	2,023,789
Interfund transfers.....	103,410	69,265
Total expenditures and uses.....	2,091,457	2,093,054
Excess of revenues and sources over expenditures and uses.....	2,859,006	4,072,671
Ending fund balance.....	\$ 16,815,371	\$ 20,888,042

Non-Appropriated Funds of Higher Education

The Statutory Basis Financial Report includes the financial operations of the non-appropriated funds of the 25 Institutions of Higher Education in the Statistical Section of the report. Over the past few years, significant efforts have been taken by the Comptroller's Office and most institutions to improve the accuracy and timeliness of this segment of the financial report.

Each institution of higher education is authorized and directed in its enabling statute to collect, retain, and expend certain fees, rents, sales, donations, federal financial participation and other types of income. These financial resources are integral parts of the total financial activity of each campus, and represent resources in addition to amounts made available from appropriations.

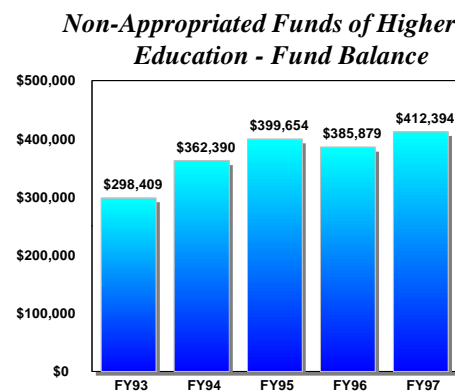
Non-Appropriated Funds Of Higher Education - Operations (Amounts in thousands)

	1996	1997
Beginning fund balance.....	\$ 399,654	\$ 385,879
Revenues and other sources:		
Federal Grants and reimbursements.....	234,777	204,615
Departmental and miscellaneous.....	1,095,258	1,155,355
Transfers and other sources.....	92,408	160,134
Total revenues and sources.....	1,422,443	1,520,104
Expenditures and other uses:		
Programs and services.....	1,264,247	1,260,017
Transfers and other uses.....	171,971	233,572
Total expenditures and uses.....	1,436,218	1,493,589
Excess (deficiency) of revenues and sources over expenditures and uses..	(13,775)	26,515
Ending fund balance.....	\$ 385,879	\$ 412,394

The FY97 financial activity for the non-appropriated funds of higher education is summarized and compared to FY96 in the table of Non-Appropriated Funds of Higher Education - Operations. Individual campus statements are presented in the statistical section of this report.

The graph Non-Appropriated Funds of Higher Education - Fund Balance shows the combined fund balance for the non-appropriated funds of higher education for the past five years.

The combined balance represents a \$322 million portion for the University of Massachusetts, \$43 million for the State College system, and \$47 million for the Community College system. These balances are designated for specific purposes, such as restrictions on endowments or other specialized purposes specified by the funding contributions.



Conclusions And Recommendations

As evidenced in this Statutory Basis Financial Report, the Commonwealth's financial condition continued to be excellent in FY97. Building upon this foundation, a detailed review of these financial statements suggests, in my opinion, the need for consideration of the following recommendations to further improve and strengthen state finance law and fiscal practice.

1. The Commonwealth should redefine the concept of consolidated net surplus and change the computation for deposits to the Stabilization and Tax Reduction Funds. The existence of numerous budgeted funds tends to fragment the budget process, and introduces unwarranted complexities into the policy debate on fiscal balance.
2. The Commonwealth should modify state finance law to budget consistently with generally accepted accounting principles (GAAP) for governments. Over the past several years many incremental changes have occurred, so that statutory practice now resembles GAAP more closely. However, a few significant differences remain, and additional modifications to state finance law are warranted.
3. The policy and fiscal strategy to accomplish acceptable cash balances in the Capital Projects Funds, and to manage spending to the administratively capped debt limit, should continue. The Commonwealth has committed to an extensive capital projects agenda, and great discipline will be needed to assure spending on these projects is matched with financing from bonds, federal reimbursement, transfer of budgetary surplus and financial participation from component units. Assuring proper balance between outflows and inflows, and limiting the segment funded by bonds to the administratively imposed limit, will be a major challenge.
4. The rationale for the continued existence of some of the non-budgeted funds should be examined, and certain funds should be modified to an "on-budget" status. Specifically, the non-budgeted fund with a fund deficit and the three non-budgeted funds with surplus and no activity in recent years should be eliminated and consolidated into the General Fund.

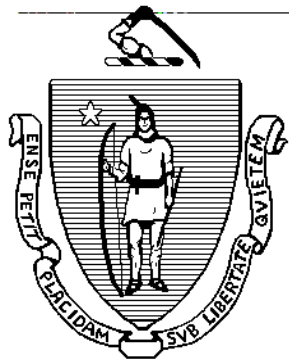
5. The Commonwealth recently modified state finance law and fiscal practice to elevate attention to the revenue side of state finance. For example, a statewide revenue optimization campaign collected \$47.1 million in FY96 and \$41.3 million in FY97 and is authorized and ongoing in FY98. This increased emphasis on both tax and non-tax revenue should continue.
6. The Commonwealth must increase its investment in information technology as a source of solutions to its business problems. Significant opportunities exist to improve the productivity of the administration of government, and an increased budget for technology projects will yield a substantial and favorable return on investment.

In conclusion, I express my thanks and appreciation to the many dedicated people in the departments of state government for their cooperation and assistance to make FY97 a successful year. I am grateful to former Governor Weld, his successor Governor Cellucci, Secretary for Administration and Finance Baker and other elected officials and persons in the Executive and Legislative branches for supporting the work of this Office. We will continue to put forward our best efforts so that your support is well founded. And to Martin Benison, Deputy Comptroller and the staff in the Accounting and Financial Reporting Bureau, and the other managers and professionals at the Comptroller's Office, I express once more a special gratitude. You have worked above the normal call of duty to administer the fiscal business of state government and to assemble this report.

Respectfully transmitted,



William Kilmartin
Comptroller



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CONSTITUTIONAL OFFICERS

Argeo Paul Cellucci
Governor

William F. Galvin
Secretary of State

L. Scott Harshbarger
Attorney General

Joseph D. Malone
Treasurer and Receiver-General

A. Joseph DeNucci
Auditor

LEGISLATIVE OFFICERS

Thomas F. Birmingham
President of the Senate

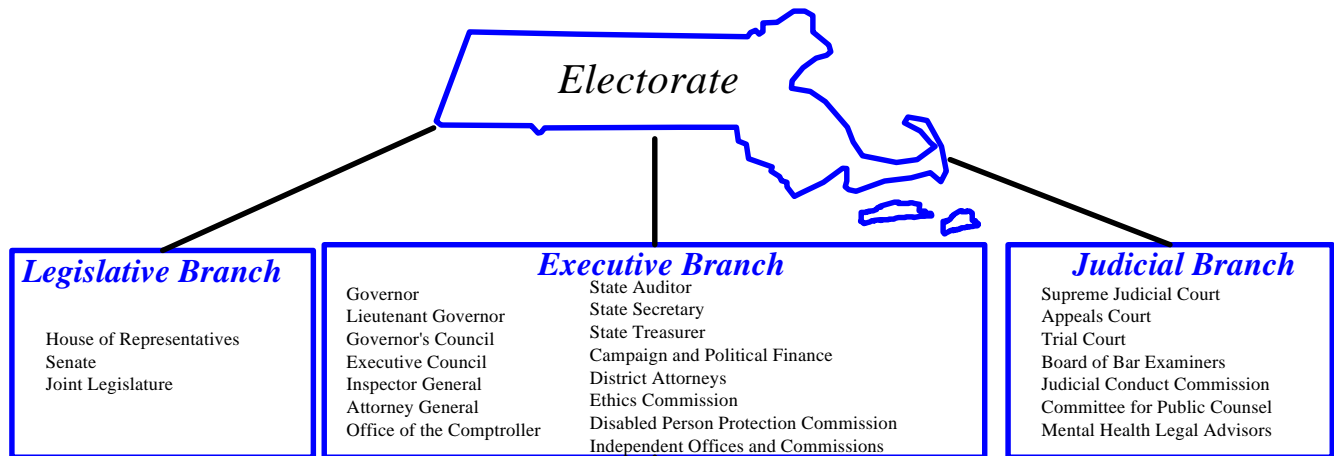
Thomas M. Finneran
Speaker of the House

JUDICIAL OFFICERS

Herbert P. Wilkins
Chief Justice, Supreme Judicial Court

Joseph P. Warner
Chief Justice, Appeals Court

John J. Irwin
Chief Justice for Administration and Management, Trial Court



State Agencies		
<p><u>Administration and Finance</u></p> <p>Executive Office Secretary of Administration and Finance Developmental Disabilities Appellate Tax Board Budget Bureau Operational Services Division Civil Service Commission Department of Revenue Department of Veteran Services Division of Administrative Law Appeals Capital Planning and Operations Group Insurance Commission Commission Against Discrimination Teachers' Retirement Board Public Employee Retirement Administration Human Resource Division Information Technology Division Massachusetts Office on Disability</p> <p><u>Public Safety</u></p> <p>Executive Office of Public Safety Architectural Access Board Committee on Criminal Justice Criminal History Systems Board Criminal Justice Training Council Department of Correction Department of Public Safety Department of Police Governor's Highway Safety Bureau Massachusetts Emergency Management Agency Merit Rating Board Military Division Chief Medical Examiner Parole Board Registry of Motor Vehicles Board of Building Regulations Department of Fire Services</p>	<p><u>Economic Development</u></p> <p>Department of Economic Development Division of Energy Resources Division of Housing & Community Development</p> <p><u>Education</u></p> <p>Department of Education Higher Education University System State and Community Colleges</p> <p><u>Elder Affairs</u></p> <p>Executive Office of Elder Affairs</p> <p><u>Environmental Affairs</u></p> <p>Executive Office of Environmental Affairs Department of Food and Agriculture Department of Environmental Management Department of Environmental Protection Fisheries and Wildlife Environmental Law Enforcement Metropolitan District Commission State Reclamation Board Low Level Radioactive Waste</p> <p><u>Transportation and Construction</u></p> <p>Executive Office of Transportation and Construction Massachusetts Aeronautics Commission Massachusetts Highway Department</p>	<p><u>Health and Human Services</u></p> <p>Executive Office of Health and Human Services Department of Mental Health Department of Mental Retardation Department of Public Health Department of Social Services Department of Transitional Assistance Department of Youth Services Division of Medical Assistance Massachusetts Commission for the Blind Massachusetts Commission for the Deaf and Hard of Hearing Massachusetts Rehabilitation Commission Office for Children Office for Refugees and Immigrants Soldier's Homes Division of Health Care Finance & Policy</p> <p><u>Labor</u></p> <p>Department of Labor & Work Force Development Conciliation and Arbitration Division of Industrial Accidents Joint Labor Management Commission Labor Relations Commission Division of Employment and Training</p> <p><u>Consumer Affairs</u></p> <p>Office of Consumer Affairs & Business Regulations Board of Medicine Massachusetts Cable Television Commission Department of Public Utilities Division of Banks Division of Insurance Division of Registration Division of Standards State Racing Commission Alcoholic Beverages Control Commission Energy Facilities Setting Council</p>

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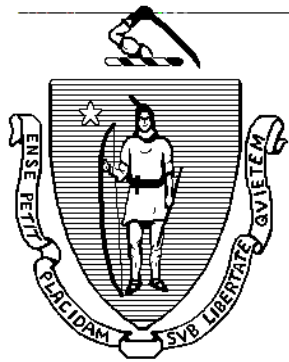
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